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U.S. DISTRICT COURT
CENTRAL DIST. OF CALIF.
SANTA ANA



UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA
SOUTHERN DIVISION

October 2006 Grand Jury

SACRO6-0256

UNITED STATES OF AMERICA,)
)
Plaintiff,)
)
v.)
)
TONY NESHEIWAT, also known)
as Tony Neche,)
)
Defendant.)

SA CR 06-

I N D I C T M E N T

[18 U.S.C. § 1341: Mail Fraud;
18 U.S.C. § 1343: Wire Fraud;
18 U.S.C. § 2: Aiding and
Abetting and Causing an Act
to Be Done]

The Grand Jury charges:

COUNTS ONE THROUGH FOUR

[18 U.S.C. § 1341; 18 U.S.C. § 2]

I. INTRODUCTION

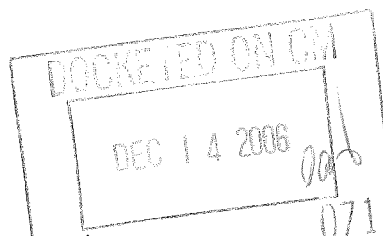
At all times relevant to this Indictment:

1. Defendant TONY NESHEIWAT, also known as Tony Neche, was associated with Digicom U.S., Lambent International, and other entities that purported to operate as business equipment vendors

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1 (hereinafter "Vendors") within the Central District of
2 California.

3 II. THE FRAUDULENT SCHEME

4 2. Beginning in or around May 2003 and continuing through
5 in or around October 2006, in Orange County, within the Central
6 District of California, and elsewhere, defendant NESHEIWAT and
7 others known and unknown to the Grand Jury, aiding and abetting
8 each other, knowingly and with the intent to defraud, devised,
9 executed, and participated in a scheme to defraud and to obtain
10 money and property by means of materially false and fraudulent
11 pretenses, representations, and promises, and the non-disclosure
12 and concealment of material facts, in connection with a
13 fraudulent finance lease scheme.

14 3. The fraudulent finance lease scheme was designed to
15 operate and did operate, as follows:

16 (a) Defendant NESHEIWAT located small businesses in
17 Orange County, California, and elsewhere, that required an
18 infusion of cash to cover their operating expenses, such as rent
19 payments and payroll. Defendant NESHEIWAT represented to these
20 small businesses that he had an associate who could help them
21 obtain cash loans from reputable lenders and financial
22 institutions.

23 (b) Once the small businesses agreed to his
24 assistance, defendant NESHEIWAT used false statements and
25 promises to induce lenders to provide loans to the small
26 businesses. Most precisely, defendant NESHEIWAT caused loan
27 applications to be submitted to lenders through the Vendors,
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1 which purported to sell office equipment, typically, computers,
2 to businesses. In these loan applications, the Vendors falsely
3 represented to the lender that the small businesses needed
4 financing for the purchase of the Vendors' equipment. To
5 corroborate this claim, the Vendors submitted false invoices that
6 purported to document the sale of computers to the small
7 businesses.

8 (c) Before funding the loan, the lenders contacted the
9 small businesses to confirm that the small businesses, in fact,
10 had purchased, installed, and were using the equipment obtained
11 from the Vendors. Defendant NESHEIWAT coached the small
12 businesses to provide false information to the lenders in
13 response to these questions.

14 (d) Based upon false information, the lenders approved
15 the applications and forwarded money to the Vendors for the
16 purported equipment purchases.

17 (e) Rather than using the loan proceeds to purchase
18 equipment as promised, defendant NESHEIWAT and the Vendors used
19 the funds to make cash loans to the small businesses and diverted
20 the remaining money for their own personal use.

21 4. In order to execute the scheme, defendant NESHEIWAT
22 made and caused to be made false statements and false promises to
23 prospective borrowers and lenders, including, without limitation,
24 the following:

25 (a) Defendant NESHEIWAT assisted small businesses
26 obtain bona fide cash loans;

27 (b) The Vendors were bona fide equipment vendors that
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1 sold office equipment to businesses and individuals;

2 (c) Defendant NESHEIWAT and the Vendors worked with
3 small businesses who wished to obtain financing from lenders for
4 the purchase of equipment;

5 (d) Defendant NESHEIWAT and the Vendors would provide
6 true and accurate sales invoices to the lenders;

7 (e) Defendant NESHEIWAT would instruct the small
8 businesses to provide true and correct information to lenders
9 concerning the purchase, installation, and use of the computer
10 equipment allegedly purchased from the Vendors; and

11 (f) Defendant NESHEIWAT and Vendors would cause the
12 lenders' funds to be used exclusively for the purchase of the
13 equipment specified in the sales invoices.

14 5. At the time defendant NESHEIWAT made the false
15 statements and false promises, and caused them to be made, he
16 knew that such statements and promises were false, in that:

17 (a) Defendant NESHEIWAT was obtaining fraudulent
18 finance leases, not bona fide cash loans, for small businesses;

19 (b) The Vendors were in the business of fraudulently
20 depriving lenders of their money, not selling office equipment to
21 businesses and individuals;

22 (c) Defendant NESHEIWAT worked with small businesses
23 that wished to obtain cash loans from lenders, not financing for
24 the purchase of equipment;

25 (d) The Vendors submitted false invoices to the
26 lenders detailing purported equipment sales that never occurred;

27 (e) Defendant NESHEIWAT coached the small businesses
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1 to falsely verify to the lenders that the businesses had
2 purchased, installed, and were using equipment allegedly acquired
3 from the Vendors.

4 (f) Defendant NESHEIWAT and the Vendors used the loan
5 proceeds to improperly make cash loans to the small businesses
6 and for their own personal benefit.

7 6. By devising, executing, and participating in the
8 finance lease scheme, defendant NESHEIWAT caused lenders to lose
9 thousands of dollars.

10 III. THE MAILINGS

11 7. On or about the dates listed below, in the Central
12 District of California, and elsewhere, defendant NESHEIWAT, for
13 the purpose of carrying out the above-described scheme to
14 defraud, caused the items described below to be deposited with,
15 and delivered by, the United States Postal Service as well as
16 private and commercial interstate carriers:

<u>COUNT</u>	<u>DATE</u>	<u>MAIL MATTER</u>
1	7/18/03	Check for \$51,577 sent via U.S. Mail from Jopeto, Inc. to Digicom U.S.
2	7/30/03	Check for \$48,300 sent via U.S. Mail from First Pacific Funding to Digicom U.S.
3	8/20/03	Check for \$43,755 sent via U.S. Mail from Optimum Solutions, Inc. to Digicom U.S.
4	9/1/06	Equipment finance application sent via Federal Express from Digicom U.S. to U.S. Bank

COUNT FIVE


[18 U.S.C. § 1343; 18 U.S.C. § 2]

8. Paragraphs one through six of the Indictment are realleged and incorporated by reference as though set forth in full.

9. On or about the dates set forth below, in the Central District of California and elsewhere, defendant NESHEIWAT, for the purpose of carrying out the above-described scheme, caused the transmission of the following writings, signs, and signals, by means of wire communication in interstate commerce:

COUNT	DATE	Wire Communication
5	9/11/06	Telephone call from G.S. in the Central District of California to U.S. Bank in Marshall, Minnesota

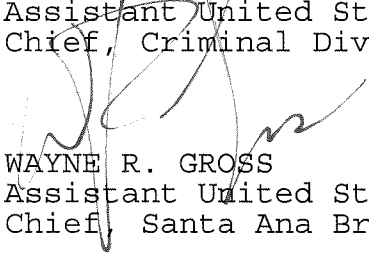
A TRUE BILL



Foreperson

GEORGE S. CARDONA
Acting United States Attorney

THOMAS P. O'BRIEN
Assistant United States Attorney
Chief, Criminal Division



WAYNE R. GROSS
Assistant United States Attorney
Chief, Santa Ana Branch Office